

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2007 AND 2006

1. GENERAL INFORMATION

| | THE COMPANY | THE SUBSIDIARIES | |
|--|--|--|--|
| | 1.1 Legal status | A juristic person established under Thai law and listed on the Stock Exchange of Thailand. | A juristic person established under Thai law on January 5, 1988 |
| 1.2 Company locations | | | |
| - Head office and factory | 129/1 Chongnonthri Road, Kwaeng Chongnonthri, Khet Yannawa, Bangkok. | 4/2 Moo 8, Bangna-Trad Road, KM. 18 Tumbol Bangchalong, Bangplee, Samutprakarn. | 129/1 Chongnonthri Road, Kwaeng Chongnonthri, Khet Yannawa, Bangkok. |
| - Factory-Branch (Saha Group Industrial Park Project- Lamphun) | 99/3 Moo 5, Tambol Paa-Sak, Amphur Muang Lamphun, Lamphun. | | |
| - Factory-Branch (Saha Group Industrial Park Project- Kabinburi) | 125 Moo 5, Tambol Nonthri, Amphur Kabinburi, Prachinburi. | | |
| 1.3 Type of business | Manufacturing and distributing ready-made clothes and leatherware. | Manufacturing, subcontracting and distributing ready-made clothes. | Distributing clothes. |
| 1.4 Number of employees as at | | | |
| September 30, 2007 | 2,852 persons. | 402 persons. | 1 person. |
| September 30, 2006 | 3,128 persons. | 393 persons. | - |
| 1.5 Employee expenses for the nine-month periods ended | | | |
| September 30, 2007 | Baht 372.41 million. | Baht 35.52 million. | Baht 0.06 million. |
| September 30, 2006 | Baht 401.18 million. | Baht 37.00 million. | - |

2. BASIS FOR PREPARATION OF INTERIM FINANCIAL STATEMENTS

2.1 The interim consolidated and the separate financial statements are prepared in accordance with the Accounting Standards under the Accounting Act, B.E. 2543 (2000) including the Accounting Profession Act, B.E. 2547 (2004). These interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2006.

2.2 These interim consolidated financial statements included the interim financial statements of Thanulux Public Company Limited and its subsidiary companies as follows :

| | <u>% Holding</u> |
|----------------------------|------------------|
| S. Apparel Company Limited | 80.00 |
| T-CHAMBER Company Limited | 99.99 |

2.3 Inter-company balances and significant transactions of the Company and the subsidiaries have been eliminated from the interim consolidated financial statements.

2.4 The Company invested in S. Apparel Company Limited by holding its common stocks starting from April 1, 2004. The negative goodwill on acquisition of Baht 55.23 million arose from the excess of fair values of the identifiable assets and liabilities of the acquirer over the cost of acquisition.

2.5 The Company invested in T-CHAMBER Company Limited by holding its common stocks starting from April 18, 2007.

3. CHANGE IN ACCOUNTING POLICY

In 2007, the Company has changed its accounting policy for investments in subsidiaries, which is presented in the separate financial statements from equity method to the cost method following the Notification of Federation of Accounting Professions No. 26/2549 (Amendment No. 1) of Accounting Standard No. 44 “Consolidated Financial Statements and Accounting for Investments in Subsidiaries”. In changing such accounting policy, the Company has restated the previous periods of the separate financial statements shown herein as comparison as if the Company has recorded such investments by the cost method following the new accounting policy all through. Therefore, the information of the separate financial statements for the year ended December 31, 2006 and for the three-month and nine-month periods ended September 30, 2006 shown herein as comparison was the information prepared under the new accounting policy. The effect of the change in accounting policy for the separate financial statements is as follows:

| Balance sheet as at December 31, 2006 | THOUSAND BAHT | |
|--|---------------|----------|
| Increase in investment in subsidiary | 1,508 | |
| Increase in unrealized gain on investment revaluation in available-for-sale securities of subsidiary | (3) | |
| Increase in ending retained earnings | 1,505 | |
| Statements of income for the three-month and nine-month periods ended | THOUSAND BAHT | |
| September 30, 2006 | 3 months | 9 months |
| Decrease in share of profit from investment for using equity method | (847) | (3,734) |
| Increase in dividend income | - | 11,520 |
| Increase (decrease) in net profit | (847) | 7,786 |
| Increase (decrease) in earnings per share (Baht per share) | (0.01) | 0.06 |

Cumulative effects from the change in accounting policy from the past to be increasingly (decreasingly) adjusted to beginning retained earnings for the separate financial statements as at January 1, 2007, was increasing amount of Baht 1.51 million and as at January 1, 2006, was decreasing amount of Baht (4.37) million.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenues and expenses recognition

Revenues from sales and cost of goods sold are recognized upon delivery of goods to customers.

Other income and expenses are recognized on an accrual basis.

4.2 Investments

Investments in Open-end Fund are considered as trading securities, stated at fair value. The Company recognizes its investment revaluation as gain or loss in the statements of income.

Investments in the available-for-sale securities are stated at fair value. The Company recognizes its investment revaluation as separate item under shareholders' equity and will record in the statements of income when sold.

Investments in general investments are stated at cost net after the allowance for loss on diminution.

Investments in debt securities are classified as held-to-maturity investments which shown at amortized cost.

Cost of investments in securities sold during the period is calculated by the average method.

Dividend income is recorded when declared.

4.3 Allowance for doubtful accounts

The Company provides allowance for doubtful accounts for the estimated losses that may be incurred by estimating from past experience. Bad debts are immediately written off in the period whenever incurred.

4.4 Allowance for goods returned

The allowance for goods returned is set up by assessing from the past experience.

4.5 Inventories

Finished goods and raw materials are stated at cost or net realizable value, whichever is the lower. Cost is determined by the average method.

Goods in process are stated at average cost of raw materials plus labor and manufacturing expenses.

4.6 Investments in subsidiary

The subsidiary undertaking is that company in which the parent company in the group companies directly or indirectly, has power more than one half of the total voting rights or otherwise has power to govern the financial and operating policies of the subsidiary. Investments in subsidiary are stated by cost method in the separate financial statements.

4.7 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation of assets. Depreciation is provided for all fixed assets other than land, by using the straight-line method based on the estimated useful lives of the following assets :

| | <u>Years</u> |
|--------------------------|--------------|
| Buildings and structures | 20 |
| Machinery | 5-10 |
| Computer and accessories | 3 |
| Other fixed assets | 5-10 |

Property, plant and equipment in the consolidation presented by summing up of certain subsidiary's assets which were adjusted to be fair value on the acquisition date. The increase in appraisal value made by the independent appraiser is depreciated according to the remaining useful lives of assets.

4.8 Intangible assets

Intangible assets mean the computer softwares used in the Company's operation. Such intangible assets are amortized by the straight-line method through the estimated useful lives of 5-10 years.

4.9 Leasehold rights

Leasehold rights are stated at cost less cumulative amortization by writing off over the lease term.

4.10 Negative goodwill

The Company recognized the incurred negative goodwill as revenues by the straight-line method based on the remaining useful lives of deteriorated assets as can be specified by approximately 10 years.

4.11 Foreign currency transactions

Foreign currency transactions are recorded in Baht at the rate ruling on the date of transactions. Outstanding foreign currency assets and liabilities at the balance sheet date are converted to Baht at the rate of exchange in effect at that date. Except the agreed transactions of forward exchange contracts with the banks will be recorded at fair value.

Gains or losses on exchange are credited or charged to operations of each period.

4.12 Related parties

The parties which have, directly and indirectly, some common management, major shareholders or some common related persons are accounted for as related parties.

4.13 Operating leases

Leases where most of substantial risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to expenses in the statements of income over the lease term.

4.14 Basic earnings per share

Basic earnings per share is determined by dividing the periodical net profit by the weighted average number of common stocks held by the outsiders during the period.

4.15 Cash and cash equivalents

For the purpose of preparation of cash flows statements, cash and cash equivalents are cash on hand and fixed deposit at financial institutions due not more than 3 months with no obligation.

4.16 Use of accounting estimates

In preparation of financial statements in accordance with generally accepted accounting principles requires management to make various estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities including the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

5. INVESTMENTS IN OPEN-END FUND comprise :-

(THOUSAND BAHT)

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|---|----------------|---------------|--------------------------------------|---------------|
| | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 |
| Investments in Open-end Fund | - | 1,000 | - | 1,000 |
| Provision for investment adjustment in Open-end Fund | - | 10 | - | 10 |
| Investments in Open-end Fund-net | - | 1,010 | - | 1,010 |

Investments in Open-end fund are trading securities. The difference between fair value and cost is shown as provision for investment adjustment in Open-end Fund. Unrealized gain (loss) on investments in Open-end Fund incurred during the period was duly recognized in the statements of income.

6. TRADE ACCOUNTS RECEIVABLE comprise :-

(THOUSAND BAHT)

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|----------------|----------------|-----------------------------------|----------------|
| | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 |
| Trade accounts receivable-related parties | | | | |
| Trade notes receivable | | | | |
| Current | 1,715 | 796 | 1,715 | 796 |
| Trade accounts receivable | | | | |
| Current | 141,108 | 218,319 | 141,109 | 218,378 |
| Overdue within 3 months | 4,879 | 8,804 | 4,879 | 8,832 |
| Over 3 to 6 months | 568 | 2,496 | 568 | 2,496 |
| Over 6 to 12 months | 613 | - | 613 | - |
| Over 12 months | 237 | 960 | 237 | 960 |
| Total | 149,120 | 231,375 | 149,121 | 231,462 |
| <u>Less</u> : Allowance for doubtful accounts | (862) | (1,430) | (862) | (1,430) |
| Allowance for goods returned | (31,000) | (31,000) | (31,000) | (31,000) |
| Trade accounts receivable related parties-net | 117,258 | 198,945 | 117,259 | 199,032 |
| Trade account receivable-others | | | | |
| Trade notes receivable | | | | |
| Current | 351 | - | 351 | - |
| Trade accounts receivable | | | | |
| Current | 90,470 | 68,969 | 72,900 | 41,288 |
| Overdue within 3 months | 18,390 | 66,947 | 16,598 | 57,528 |
| Over 3 to 6 months | 6,905 | 6,074 | 6,905 | 6,049 |
| Over 6 to 12 months | 1,398 | 1,005 | 1,398 | 921 |
| Over 12 months | 435 | - | 435 | - |
| Total | 117,949 | 142,995 | 98,587 | 105,786 |
| <u>Less</u> : Allowance for doubtful accounts | (1,833) | (737) | (1,833) | (695) |
| Trade accounts receivable others-net | 116,116 | 142,258 | 96,754 | 105,091 |
| Total Trade Accounts Receivable-net | 233,374 | 341,203 | 214,013 | 304,123 |

7. SHORT-TERM LOANS TO RELATED PARTIES comprise :

(THOUSAND BAHT)

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | | INTEREST RATE PER YEAR (%) | |
|--|----------------|---------------|-----------------------------------|---------------|----------------------------|---------------|
| | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 |
| SSDC (Tigertex) Co., Ltd. | | | | | | |
| Beginning balances | 22,000 | 17,000 | 22,000 | 17,000 | 2.875-5.25 | 3.50-5.50 |
| <u>Add:</u> Increase during the periods | 10,000 | 52,000 | 10,000 | 52,000 | | |
| <u>Less:</u> Settlement during the periods | (25,000) | (47,000) | (25,000) | (47,000) | | |
| Ending balances | 7,000 | 22,000 | 7,000 | 22,000 | | |
| Five Stars Plus Co., Ltd. | | | | | | |
| Beginning balance | - | - | - | - | 3.25 | |
| <u>Add:</u> Increase during the period | 8,000 | - | - | - | | |
| Ending balance | 8,000 | - | - | - | | |
| Total | 15,000 | 22,000 | 7,000 | 22,000 | | |

Short-term loans to related parties are unsecured loans.

8. INVESTMENTS IN SUBSIDIARIES comprise:

(THOUSAND BAHT)

| SUBSIDIARY COMPANIES | % HOLDING | | COST METHOD | |
|----------------------|----------------|---------------|----------------|---------------|
| | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 |
| S. Apparel Co., Ltd. | 80.00 | 80.00 | 27,729 | 27,729 |
| T-CHAMBER Co., Ltd. | 99.99 | - | 9,999 | - |
| Total | | | 37,728 | 27,729 |

(THOUSAND BAHT)

| SUBSIDIARY COMPANIES | TYPE OF BUSINESS | RELATIONSHIP | PAID-UP CAPITAL | | DIVIDEND | |
|----------------------|--|-----------------------------------|-------------------|------------------|---|--------|
| | | | Sept. 30, 2007 | Dec. 31, 2006 | For the nine-month periods ended September 30, | |
| | | | | | 2007 | 2006 |
| S. Apparel Co., Ltd. | Manufacturing, subcontracting and distributing ready-made clothes | Management and shareholders | 36,000 | 36,000 | 864 | 11,520 |
| T-CHAMBER Co., Ltd. | Distributing ready-made clothes | Shareholders | 10,000 | - | - | - |

9. INVESTMENTS IN AVAILABLE-FOR-SALE SECURITIES comprise :-

(THOUSAND BAHT)

| Companies | Paid-up capital | % Holding | | Investment | | Dividend | |
|--|-----------------|-----------|----------|------------|----------|-------------------------|--------|
| | | As at | | As at | | For the nine-month | |
| | | Sept. | Dec. | Sept. | Dec. | periods ended Sept. 30, | |
| | | 30, 2007 | 31, 2006 | 30, 2007 | 31, 2006 | 2007 | 2006 |
| - Related Parties | | | | | | | |
| 1. People's Garment Plc. | 96,000 | 14.05 | 14.05 | 52,683 | 52,683 | 12,136 | 10,113 |
| 2. I.C.C. International Plc. | 290,634 | 3.14 | 3.14 | 89,266 | 89,266 | 9,138 | 8,852 |
| 3. Sahacogen (Chonburi) Plc. | 955,000 | 1.72 | 1.72 | 30,422 | 30,422 | 4,920 | 3,280 |
| 4. Thai Wacoal Plc. | 120,000 | 1.39 | 1.39 | 22,476 | 22,476 | 2,171 | 1,837 |
| 5. Textile Prestige Plc. | 108,000 | 0.96 | 0.96 | 10,185 | 10,185 | 776 | 880 |
| 6. Saha Pathana Inter-Holding Plc. | 494,034 | 0.36 | 0.36 | 9,042 | 9,042 | 356 | 356 |
| 7. Far East DDB Plc. | 75,000 | 0.35 | 0.35 | 505 | 505 | 129 | 129 |
| 8. O.C.C. Plc. | 60,000 | 0.13 | 0.13 | 41 | 41 | 44 | 44 |
| 9. Saha Pathanapibul Plc. | 275,875 | 0.07 | 0.07 | 495 | 495 | 100 | 100 |
| Total | | | | 215,115 | 215,115 | 29,770 | 25,591 |
| <u>Add:</u> Unrealized gain on investment revaluation | | | | 538,780 | 567,365 | - | - |
| Total net investments in available-for-sale securities-related parties | | | | 753,895 | 782,480 | 29,770 | 25,591 |
| - Other Companies | | | | | | | |
| 1. President Bakery Plc. | | | | 13,500 | 13,500 | 1,440 | 1,410 |
| 2. Thai Toray Textile Mill Plc. | | | | 265 | 265 | 30 | 45 |
| 3. Nation Multimedia Group Plc. | | | | 8,608 | 8,608 | - | - |
| 4. Bangkok Bank Plc. | | | | 10,002 | 10,002 | 348 | 285 |
| 5. Kasikornbank Plc. | | | | 654 | 654 | 26 | 26 |
| 6. The Siam Cement Plc. | | | | 2,336 | 2,336 | 150 | 150 |
| 7. PTT Plc. | | | | 832 | 832 | 53 | 72 |
| 8. Thoresen Thai Agencies Plc. | | | | 75 | 75 | 3 | 4 |
| 9. Thai Oil Plc. | | | | 367 | 367 | 12 | 30 |
| 10. Rayong Refinery Plc. | | | | 450 | 450 | 25 | - |
| 11. Regal Corporation. | | | | 9,854 | - | - | - |
| Total | | | | 46,943 | 37,089 | 2,087 | 2,022 |
| <u>Add:</u> Unrealized gain on investment revaluation | | | | 21,320 | 22,488 | - | - |
| Total net investments in available-for-sale securities-other companies | | | | 68,263 | 59,577 | 2,087 | 2,022 |
| Total investments in available-for-sale securities | | | | | | | |
| (The separate financial statements) | | | | 822,158 | 842,057 | 31,857 | 27,613 |

(THOUSAND BAHT)

| Companies | Paid-up capital | % Holding | | Investment | | Dividend | |
|---|--------------------|-------------------|------------------|-------------------|------------------|-------------------------|--------|
| | | As at | | As at | | For the nine-month | |
| | | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 | periods ended Sept. 30, | |
| | | | | | | 2007 | 2006 |
| Investments in available-for-sale of the Subsidiary-related party | | | | | | | |
| Sahacogen (Chonburi) Plc. | | | | - | 262 | - | - |
| <u>Less</u> : Unrealized loss on investment revaluation | | | | - | (3) | - | - |
| Total Investments in Available-for-sale securities of the Subsidiary - net | | | | - | 259 | - | - |
| TOTAL INVESTMENTS IN AVAILABLE FOR SALE SECURITIES (THE CONSOLIDATED) | | | | 822,158 | 842,316 | 31,857 | 27,613 |

10. GENERAL INVESTMENTS comprise :

(THAI CURRENCY : THOUSAND BAHT

FOREIGN CURRENCIES : THOUSAND)

| THE CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS | | | | | | | | |
|--|------------------------|-----------|----------|------------|----------|-------------------------|-------|--|
| Companies | Paid-up capital | % Holding | | Investment | | Dividend | | |
| | | As at | | As at | | For the nine-month | | |
| | | Sept. | Dec. | Sept. | Dec. | periods ended Sept. 30, | | |
| | | 30, 2007 | 31, 2006 | 30, 2007 | 31, 2006 | 2007 | 2006 | |
| - Related Parties | | | | | | | | |
| 1. P.T. Mesapro International Co., Ltd. | USD 800 | - | 19.00 | - | * 3,817 | - | - | |
| 2. Thai Monster Co., Ltd. | 20,000 | 19.00 | 19.00 | 5,549 | 5,549 | 1,140 | 570 | |
| 3. Total Way Image Co., Ltd. | 20,000 | 19.00 | 19.00 | 7,132 | 7,132 | 1,330 | 1,330 | |
| 4. Thai Naxis Co., Ltd. | 20,000 | 19.00 | 19.00 | 4,700 | 4,700 | 760 | 570 | |
| 5. Celebrate Wealth Co., Ltd. | 10,000 | 19.00 | 19.00 | 1,900 | 950 | - | - | |
| | (Year 2006 : 5,000) | | | | | | | |
| 6. SSDC (Tigertex) Co., Ltd. | 270,000 | 18.96 | 18.96 | 58,394 | 58,394 | 4,096 | 2,048 | |
| 7. International Commercial Coordination (Hong Kong) Ltd. | HKD 2,000 | 18.00 | 18.00 | * 2,291 | * 2,291 | - | - | |
| 8. International Leather Fashion Corp., Ltd. | 50,000 | 18.00 | 18.00 | 8,810 | 8,810 | 1,800 | 1,080 | |
| 9. Wise Winner Co., Ltd. | 10,000 | 18.00 | 18.00 | 1,800 | 1,800 | - | - | |
| 10. Five Stars Plus Co., Ltd. | 50,000 | 17.00 | 17.00 | 8,500 | 8,500 | - | - | |
| 11. Morgan De Toi (Thailand) Ltd. | 25,000 | 15.99 | 15.99 | 3,999 | * 3,999 | 320 | - | |
| 12. Champ Ace Co., Ltd. | 40,000 | 15.00 | 15.00 | 6,000 | 6,000 | 1,500 | 1,500 | |
| 13. Pak Numpo Wattana Co., Ltd. | 1,000 | 14.00 | 14.00 | 1,037 | 1,037 | - | - | |
| 14. S.T.G.C. Co., Ltd. | 2,500 | 13.00 | 13.00 | * 325 | * 325 | - | - | |
| 15. Grand Star Industry Co., Ltd. | 20,000 | 12.50 | 12.50 | 4,992 | 4,992 | 1,500 | 1,500 | |
| 16. Intanin Chiangmai Co., Ltd. | 5,000 | 12.50 | 12.50 | 2,781 | 2,781 | - | - | |
| 17. Koraj Wattana Co., Ltd. | 1,000 | 12.50 | 12.50 | 1,528 | 1,528 | - | - | |
| 18. Sun & sand Co., Ltd. | 1,000 | 12.50 | 12.50 | 1,499 | 1,499 | - | - | |
| 19. Eastern I.C.C. Co., Ltd. | 1,000 | 12.50 | 12.50 | 2,938 | 2,938 | - | - | |
| 20. Maharachapruerk Co., Ltd. | 1,000 | 12.00 | 12.00 | 415 | 415 | - | - | |
| 21. Belle Maison (Thailand) Co., Ltd. | 80,000 | 11.63 | 11.63 | * 9,300 | * 9,300 | - | - | |
| 22. Thai Takaya Co., Ltd. | 30,000 | 11.00 | 11.00 | 3,300 | 3,300 | 330 | - | |
| 23. Thai Gunze Co., Ltd. | 180,000 | 8.00 | 8.00 | 17,280 | 17,280 | 1,152 | 2,160 | |
| 24. Wazeda Education (Thailand) Co., Ltd. | 25,000 | 8.00 | 8.00 | * 2,000 | * 2,000 | - | - | |
| 25. Thai Bunka Fashion Co., Ltd. | 25,000 | 8.00 | 8.00 | * 2,000 | 2,000 | - | - | |

(THAI CURRENCY : THOUSAND BAHT

FOREIGN CURRENCIES : THOUSAND)

| THE CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS | | | | | | | |
|---|--------------------------|-------------------|------------------|-------------------|------------------|-------------------------|--------|
| Companies | Paid-up capital | % Holding | | Investment | | Dividend | |
| | | As at | | As at | | For the nine-month | |
| | | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 | periods ended Sept. 30, | |
| | | | | | | 2007 | 2006 |
| 26. Mit Pathana Homeshopping Co., Ltd. | 30,000 | 5.67 | 6.67 | 1,700 | 2,000 | - | - |
| 27. Sriracha Aviation Co., Ltd. | 33,000 | 6.06 | 6.06 | * 2,000 | * 2,000 | - | - |
| 28. Guangdong Xie Zhong Garment Co., Ltd. | USD 2,900 | 5.00 | 5.00 | * 2,851 | * 2,851 | - | - |
| 29. Sunrise Garment Co., Ltd. | 10,000 | 5.00 | 5.00 | 1,966 | 1,966 | 175 | 150 |
| 30. K. Commercial and Construction Co., Ltd. | 50,000 | 5.00 | 5.00 | 6,694 | 6,694 | 250 | 250 |
| 31. H & B Intertext Co., Ltd. | 40,000 | 5.00 | 5.00 | 2 | 2 | - | - |
| 32. Sriracha BSC Bowling Co., Ltd. | 47,000 | 4.26 | 4.26 | 2,000 | 2,000 | - | - |
| 33. Thai Shikibo Co., Ltd. | 237,500 | 4.81 | 4.81 | 11,425 | 11,425 | 1,485 | 1,485 |
| 34. Thai Staflex Co., Ltd. | 60,000 | 4.00 | 4.00 | 2,400 | 2,400 | 300 | 600 |
| 35. Treasure Hill Co., Ltd. | 200,000 | 4.00 | 4.00 | * 6,300 | * 6,300 | - | - |
| 36. BSC Entertainment Co., Ltd. | 174,000 | 4.00 | 4.00 | * 8,237 | * 8,237 | - | - |
| 37. Thai Asahi Kazei Spandex Co., Ltd. | 850,000 | 4.00 | 4.00 | 34,000 | 28,000 | 1,711 | - |
| | (Year 2006 : 700,000) | | | | | | |
| 38. Value Added Textile Co., Ltd. | 16,500 | 3.00 | 3.00 | 67 | 67 | 124 | 50 |
| 39. Panland Co., Ltd. | 300,000 | 3.00 | 3.00 | * 9,000 | * 9,000 | - | - |
| 40. Wien Co., Ltd. | 10,000 | 2.40 | 2.40 | 1,067 | 1,067 | 144 | 132 |
| 41. Sahapat Real Estate Co., Ltd. | 250,000 | 2.40 | 2.40 | 6,165 | 6,165 | - | - |
| 42. Thai Janome Co., Ltd. | 88,000 | 2.00 | 2.00 | 1,760 | 1,760 | 595 | 1,186 |
| 43. Sahapat Properties Co., Ltd. | 20,000 | 1.00 | 1.00 | * 200 | * 200 | - | - |
| 44. Thai Itokin Co., Ltd. | 50,000 | 1.00 | 1.00 | * 911 | * 911 | - | - |
| 45. Racha Uchino Co., Ltd. | 81,000 | 0.49 | 0.49 | 163 | 163 | 59 | 79 |
| 46. Pattaya Manufacturing Co., Ltd. | 30,000 | 0.33 | 0.33 | 741 | 741 | 45 | 42 |
| Total | | | | 258,119 | 255,286 | 18,816 | 14,732 |
| Less: * Provision for loss on diminution in investments | | | | (26,908) | (28,619) | - | - |
| Total general investments-related parties-net | | | | 231,211 | 226,667 | 18,816 | 14,732 |

(THAI CURRENCY : THOUSAND BAHT

FOREIGN CURRENCIES : THOUSAND)

| THE CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS | | | | | | | |
|---|-----------------|-------------------|------------------|-------------------|------------------|-------------------------|--------|
| Companies | Paid-up capital | % Holding | | Investment | | Dividend | |
| | | As at | | As at | | For the nine-month | |
| | | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 | periods ended Sept. 30, | |
| | | | | | | 2007 | 2006 |
| - Other Companies | | | | | | | |
| 1. Miwaki SDN. BHD. | RM 500 | 19.00 | 19.00 | 2,481 | 2,481 | 47 | - |
| 2. Miwaki Philippines Inc. | USD 400 | 19.00 | 19.00 | * 3,317 | * 3,317 | - | - |
| 3. Intersouth Co., Ltd. | 1,000 | 12.50 | 12.50 | 4,286 | 4,286 | - | - |
| 4. Bulton (Thailand) Co., Ltd. | 4,000 | 10.00 | 10.00 | 250 | 250 | - | - |
| 5. Saha Daiichi Kosho Co., Ltd. | 50,000 | 7.50 | 7.50 | * 3,750 | * 3,750 | - | - |
| 6. The International Knitting Mills Co., Ltd. | 40,000 | 2.81 | 2.81 | * 1,500 | * 1,500 | - | - |
| 7. Sunlots Enterprise Co., Ltd. | 130,000 | 2.69 | 2.69 | * 4 | * 4 | - | - |
| 8. Khonkaen Vithes Suksa Co., Ltd. | 60,000 | 1.67 | 1.67 | * 1,000 | * 1,000 | - | - |
| 9. Thanara Co., Ltd. | 60,000 | 1.25 | 1.25 | 1 | 1 | - | - |
| 10. Sigma Holding Co., Ltd. | 46,364 | 0.26 | 0.26 | 120 | * 120 | - | - |
| 11. Osoth Inter Laboratories Co., Ltd. | 105,000 | 0.15 | 0.15 | * 88 | * 88 | - | - |
| Total | | | | 16,797 | 16,797 | 47 | - |
| <u>Less:</u> * Provision for loss on diminution in investments | | | | (5,959) | (5,720) | - | - |
| Total general investments-other companies-net | | | | 10,838 | 11,077 | 47 | - |
| Total General Investments of the Separate financial statements-net | | | | 242,049 | 237,744 | 18,863 | 14,732 |
| General Investments of the Subsidiary-related party | | | | | | | |
| Treasure Hill Co., Ltd. | | | | 4,000 | 4,000 | - | - |
| <u>Less:</u> Provision for loss on diminution in investments | | | | (4,000) | (4,000) | - | - |
| Total General Investments of the Subsidiary-net | | | | - | - | - | - |
| TOTAL GENERAL INVESTMENTS-NET (THE CONSOLIDATED) | | | | 242,049 | 237,744 | 18,863 | 14,732 |

11. INVESTMENTS IN DEBT SECURITIES comprise :-

(THOUSAND BAHT)

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|----------------|---------------|--------------------------------------|---------------|
| | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 |
| The Siam Cement Plc. | 36,000 | 26,000 | 36,000 | 26,000 |
| CH. Karnchang Plc. | 20,000 | 10,000 | 20,000 | 10,000 |
| Total | 56,000 | 36,000 | 56,000 | 36,000 |
| <u>Less</u> Portion due for redemption within one year | (1,000) | - | (1,000) | - |
| Investments in debt securities-net | 55,000 | 36,000 | 55,000 | 36,000 |

In 2007, the Company has invested amount of 10,000 units at Baht 1,000 per unit amounting to Baht 10 million in the CH. Karnchang Public Company Limited for 3 year period unsecured debenture, unsubordinated, trustee debenture with the holder's name, bearing interest at 5.25% per annum, payable every 6 months. The interest was calculated since the issuing date of debenture on July 26, 2007 and will be due for redemption on July 26, 2010.

In 2007, the Company has invested amount of 10,000 units at Baht 1,000 per unit amounting to Baht 10 million in the Siam Cement Public Company Limited for 4 year period unsecured debenture, unsubordinated, trustee debenture with the holder's name, bearing interest at 5.75% per annum, payable every 3 months. The interest was calculated since the issuing date of debenture on April 2, 2007 and will be due for redemption on April 1, 2011.

In 2006, the Company has invested amount of 10,000 units at Baht 1,000 per unit amounting to Baht 10 million in the Siam Cement Public Company Limited for 4 year period unsecured debenture, unsubordinated, trustee debenture with the holder's name, bearing interest at 6% per annum, payable every 3 months. The interest was calculated since the issuing date of debenture on March 31, 2006 and will be due for redemption on April 1, 2010.

In 2005, the Company has invested amount of 15,000 units at Baht 1,000 per unit amounting to Baht 15 million in the Siam Cement Public Company Limited for 4 year period unsecured debenture, unsubordinated, trustee debenture with the holder's name, bearing interest at 5.25% per annum, payable every 3 months. The first payment of interest was received on January 1, 2006. The debenture was issued on October 3, 2005 and will be due for redemption on October 1, 2009.

In 2005, the Company has invested amount of 10,000 units at Baht 1,000 per unit amounting to Baht 10 million in the CH. Karnchang Public Company Limited for 3 year period unsecured debenture, unsubordinated, trustee debenture with the holder's name, bearing interest at 6.50% per annum, payable every 6 months. The interest was calculated since the issuing date of debenture on October 28, 2005 and will be due for redemption on October 28, 2008.

In 2004, the Company has invested amount of 1,000 units at Baht 1,000 per unit amounting to Baht 1 million in the Siam Cement Public Company Limited for 4 year period unsecured debenture, unsubordinated, trustee debenture with the holder's name, bearing interest at 4.25% per annum, payable at every 3 months. The first payment of interest was received on July 1, 2004. The debenture was issued on April 1, 2004 and will be due for redemption on April 1, 2008.

The portion of debt securities due for redemption within one year was shown under current assets.

12. LONG-TERM LOANS TO RELATED PARTY

On August 3, 2004 the Company offered unsecured loans to Thai Asahi Kazei Spandex Company Limited amount of Baht 20.80 million. The payment terms of such loans are as follows :

(THOUSAND BAHT)

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|----------------|---------------|--------------------------------------|---------------|
| | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 |
| Long-term loans | 13,866 | 20,800 | 13,866 | 20,800 |
| <u>Less</u> Current portion of long-term loans | 6,933 | 6,933 | 6,933 | 6,933 |
| Long-term loans-net | 6,933 | 13,867 | 6,933 | 13,867 |

| PRINCIPAL BALANCE (Million Baht) | | REPAYMENT CONDITIONS |
|-------------------------------------|---------------|--|
| Sept. 30, 2007 | Dec. 31, 2006 | |
| 13.87 | 20.80 | <ol style="list-style-type: none"> 1. Repayment of principal and interest within 5 years will be completely settled on August 2, 2009. The borrower will repay the principal within 6 installments, commencing the first installment on February 2, 2007. 2. Interest is paid by monthly. 3. Interest rate is at Average MMR of commercial banks. |

The portion of long – term loans due within one year was shown under current assets.

13. LEGAL RESERVE

The Company has set up legal reserve which duly met 10% of authorized share capital, in compliance with the Public Company Act, B.E. 2535 (1992). Such reserve is forbidden for dividend payment.

14. GENERAL RESERVE

On April 23, 2007, the Ordinary General Shareholders' Meeting was held and approved a resolution to appropriate net profit for general reserve amount of Baht 12.50 million.

On April 24, 2006, the Ordinary General Shareholders' Meeting was held and approved a resolution to appropriate net profit for general reserve amount of Baht 13 million.

The Company has appropriated part of its net profit for general reserves with no specific objective.

15. DIVIDEND PAYMENT AND DIRECTORS' REMUNERATION

On April 23, 2007, the Ordinary General Shareholders' Meeting was held and approved a resolution to pay dividends from BOI business operation at Baht 1.00 per share, to the shareholders of 120 million shares. The dividends were paid from BOI business operation of Kabinburi Project 3 according to the Promotional Certificate No. 1329(1)/2544 amount of Baht 42.00 million, and Lamphun Project 2 according to the Promotional Certificate No.1396/2543 amount of Baht 78 million, totalling Baht 120 million. The payment date was fixed on May 18, 2007. The Meeting also approved to pay the directors' remuneration not more than Baht 12 million.

On April 24, 2006 the Ordinary General Shareholders' Meeting was held and approved a resolution to pay dividends from BOI business operation at Baht 1.10 per share, to the shareholders of 120 million shares. The dividends were paid from BOI business operation of Kabinburi Project 3 according to the Promotional Certificate No. 1329(1)/2544 amount of Baht 62.70 million, and Lamphun Project 2 according to the Promotional Certificate No. 1396/2543 amount of Baht 69.30 million, totalling Baht 132 million. The payment date was fixed on May 19, 2006. The Meeting also approved to pay the directors' remuneration not more than Baht 13 million.

For the nine-month periods ended September 30, 2007 and 2006, the subsidiary paid dividend and directors' remuneration which are included in the consolidated financial statements.

16. FOREIGN CURRENCY TRANSACTIONS

16.1 Forward exchange contracts

The Company and the subsidiaries have entered into Selling Forward Exchange Contracts with the local commercial bank for hedging against any risk in exchange rate fluctuation which might affect to Baht receivable from export trade accounts receivable that can be summarized as follows:

As at September 30, 2007

(AMOUNT IN MILLION)

| Particulars | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|-------------|--------------------|-------------------|-----------------------------------|-------------------|
| | Foreign currencies | Converted to Baht | Foreign currencies | Converted to Baht |
| USD | 1.60 | 54.22 | 1.41 | 47.65 |
| JPY | 16.07 | 4.76 | - | - |
| EUR | 0.36 | 17.03 | 0.36 | 17.03 |
| Total | | 76.01 | | 64.68 |

The Company has the balance of Selling Forward Exchange Contracts which can be summarized as follows:

| Particulars | CONSOLIDATED | | | THE SEPARATE FINANCIAL STATEMENTS | | |
|-------------|------------------------|---------------------------------|---|-----------------------------------|---------------------------------|---|
| | Amount (in Million) | Delivery will be made during | Exchange rate on delivery date (Currency in Baht) | Amount (in Million) | Delivery will be made during | Exchange rate on delivery date (Currency in Baht) |
| USD | 2.15 | Nov. 07 – Mar. 08 | 33.40 – 34.25 | 1.96 | Jan. – Mar. 08 | 33.40 – 34.25 |
| JPY | 16.07 | Dec. 07 | 0.29769 | - | - | - |
| EUR | 0.36 | Mar. 08 | 46.56 – 47.75 | 0.36 | Mar. 08 | 46.56 – 47.75 |

As at December 31, 2006

(AMOUNT IN MILLION)

| Particulars | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|-------------|--------------------|-------------------|-----------------------------------|-------------------|
| | Foreign currencies | Converted to Baht | Foreign currency | Converted to Baht |
| USD | 0.64 | 23.10 | 0.40 | 14.41 |
| JPY | 6.00 | 1.81 | - | - |
| EUR | 0.09 | 4.32 | - | - |
| Total | | 29.23 | | 14.41 |

The Company has the balance of Selling Forward Exchange Contracts which can be summarized as follows:

| Particulars | CONSOLIDATED | | | THE SEPARATE FINANCIAL STATEMENTS | | |
|-------------|------------------------|---------------------------------|---|-----------------------------------|---------------------------------|---|
| | Amount (in Million) | Delivery will be made during | Exchange rate on delivery date (Currency in Baht) | Amount (in Million) | Delivery will be made during | Exchange rate on delivery date (Currency in Baht) |
| USD | 0.64 | Feb. – Jun. 07 | 35.67 – 36.57 | 0.40 | May. – Jun. 07 | 35.67 – 36.57 |
| JPY | 6.00 | Mar. 07 | 0.301 – 0.304 | - | - | - |
| EUR | 0.09 | Feb. – Mar. 07 | 46.90 – 47.86 | - | - | - |

16.2 Uncovered risk transactions

The Company has outstanding assets and liabilities denominated in foreign currencies which are not covered by any hedging as follows:

(AMOUNT IN MILLION)

| Particulars | CONSOLIDATED | | | | THE SEPARATE FINANCIAL STATEMENTS | | | |
|--------------------|--------------------|---------------|-------------------|---------------|-----------------------------------|---------------|-------------------|---------------|
| | Foreign currencies | | Converted to Baht | | Foreign currencies | | Converted to Baht | |
| | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 |
| Assets | | | | | | | | |
| USD | 0.21 | 2.03 | 7.11 | 73.15 | 0.13 | 1.63 | 4.56 | 58.76 |
| EUR | 0.18 | 0.30 | 8.85 | 14.03 | 0.18 | 0.28 | 8.85 | 12.99 |
| JPY | 14.39 | 21.13 | 4.24 | 6.36 | 0.16 | 0.01 | 0.05 | 0.002 |
| Total | | | 20.20 | 93.54 | | | 13.46 | 71.752 |
| Liabilities | | | | | | | | |
| USD | 0.43 | 0.33 | 14.70 | 12.00 | 0.35 | 0.31 | 11.95 | 11.35 |
| EUR | 0.10 | 0.13 | 4.72 | 6.12 | 0.10 | 0.13 | 4.72 | 6.12 |
| JPY | 12.22 | 4.61 | 3.66 | 1.41 | 1.43 | 0.79 | 0.43 | 0.24 |
| HKD | 0.02 | 0.004 | 0.09 | 0.02 | 0.02 | 0.004 | 0.09 | 0.02 |
| GBP | 0.01 | - | 0.52 | - | 0.01 | - | 0.52 | - |
| Total | | | 23.69 | 19.55 | | | 17.71 | 17.73 |

17. PROMOTIONAL PRIVILEGES

By virtue of the Investment Promotion Act, B.E. 2520 (1977), the Company was granted some special promotional privileges from the Board of Investment as follows:

| | | | | | | |
|---|--|---|--|---------------------------|-------------------------------------|--|
| 1. Promotional certificates Nos. | 1286/2536 | 7028/2537 | 1396/2543 | 1329(1)/2544 | 1515/Or./2544 | 1604(2)/2550 |
| 2. Dates of promotional certificates | 23/12/93 | 31/08/94 | 24/07/00 | 02/05/01 | 16/08/01 | 18/6/07 |
| 3. The generating revenues dates | 10/11/94 | 14/02/95 | 01/08/00 | 01/02/03 | 10/09/01 | Not implemented |
| 4. The promotional privileges for manufacturing of | Leather products or artificial leather | Ready-made garment | Leather products or artificial leather | Textile or fragment | Ready-made garment | Leather products or artificial leather |
| 5. Important privileges which are granted : | | | | | | |
| 5.1 Exemption from corporate income tax on net profit from promotional operations, commencing from the generating revenue date. | 8 years (Expired on 9/11/02) | 8 years (Expired on 13/02/03) | 8 years | 8 years | 3 years (Expired on 13/06/04) | 8 years |
| 5.2 Exemption from income tax on dividends from promoted business which was exempted from income tax as 5.1. | 8 years (Expired on 9/11/02) | 8 years (Expired on 13/02/03) | 8 years | 8 years | 3 years (Expired on 13/06/04) | 8 years |
| 5.3 Allowance for reduction the corporate income tax from promotional net profit at 50% of normal rate after the exemption for corporate income tax is ended. | 5 years | 5 years | 5 years | 5 years | 5 years | 5 years |
| 5.4 Allowance for double deduction of expenses of public utilities (electricity, water supply and transportation) for the year. | 10 years (Expired on 9/11/04) | 10 years (Expired on 13/02/05) | 10 years | 10 years | 5 years (Expired on 13/06/06) | 10 years |

As a promoted industry, the Company must strictly comply with certain terms and conditions stipulated in the promotional certificates.

18. COMMITMENT AND CONTINGENT LIABILITIES

18.1 The Company and the subsidiaries have commitment and contingent liabilities as follows:

(MILLION)

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|----------------|---------------|-----------------------------------|---------------|
| | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 |
| Letters of credit | | | | |
| - USD | 0.10 | - | 0.10 | - |
| - EUR | 0.11 | 0.10 | 0.11 | 0.10 |
| - JPY | 1.29 | 1.13 | 1.29 | - |
| Bank guarantee for Customs Department (BAHT) | 6.66 | 7.63 | 5.65 | 6.25 |
| Bank guarantee for electricity (BAHT) | 4.95 | 4.95 | 4.28 | 4.28 |
| Bank guarantee for business (BAHT) | 1.05 | 0.45 | 1.05 | 0.45 |
| Loan guarantee for related companies (BAHT) | 0.31 | 3.50 | 0.31 | 3.50 |

18.2 The Company has entered into 9 Trademark Countercontracts with respective owners concerning about the manufacturing and distribution of garments and leather products under their trademarks. Both parties have mutual obligations to fulfil under these contracts. The trademark fees are 5.0-7.5% upon sales amount.

18.3 The Company has commitment relating to Land and Building Lease Contract with the compensation for transferring of leasehold right and to be paid by monthly according to the contract as follows :

(BAHT)

| PARTICULARS | PERIODS | LEASE TERM (YEARS) | LEASE RIGHT COMPENSATION | MONTHLY RENTAL |
|----------------------|-------------|--------------------|--------------------------|----------------|
| Land lease right | 1988 – 2008 | 20 | 520,000 | 12,000 |
| Building lease right | 2004 – 2021 | 17 | 17,079,606 | 4,428 |

19. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiaries operate in core business segment, that is ready-made clothes and leather product industry with geographical segments of both local and export sales as follows:

(MILLION BAHT)

| PARTICULARS | CONSOLIDATED | | | | | |
|-----------------------------------|--------------------|--------|----------|--------------------|--------|----------|
| | September 30, 2007 | | | September 30, 2006 | | |
| | Local | Export | Total | Local | Export | Total |
| Sales by segment | 768.73 | 689.64 | 1,458.37 | 1,009.78 | 659.93 | 1,669.71 |
| Result of operation by segment | 105.98 | 73.78 | 179.76 | 166.97 | 77.68 | 244.65 |
| Non-allocation expenses | | | 149.01 | | | 152.10 |
| Other income | | | 129.17 | | | 125.40 |
| Negative goodwill | | | 4.14 | | | 4.14 |
| Corporate income tax | | | 9.21 | | | 16.10 |
| Net profit of Minority Interest | | | (0.52) | | | (0.11) |
| Net profit | | | 154.33 | | | 205.88 |
| Property, plant and equipment-net | | | 477.35 | | | 508.63 |
| Intangible assets-net | | | 5.44 | | | 5.96 |
| Leasehold rights-net | | | 13.70 | | | 14.71 |
| Total assets | | | 2,680.54 | | | 2,683.74 |

20. TRANSACTIONS WITH RELATED PARTIES

The Company and its subsidiaries have certain transactions with its related parties which are related through the shareholding or having co-management or co-directors. Therefore, the effects of these transactions were reflected in the accompanying financial statements on the mutual agreement and in normal business.

| RELATED PARTIES | TYPE OF BUSINESS | RELATIONSHIP |
|--|--|--|
| 1. S. Apparel Co., Ltd. | Manufacturing and distributing ready-made clothes and subcontracting | Management and shareholders and being subsidiary |
| 2. T-CHAMBER Co., Ltd. | Distributing ready-made clothes | Shareholders and being subsidiary |
| 3. People's Garment Plc. | Garment manufacturing | Management and shareholders |
| 4. I.C.C. International Plc. | Consumer goods distributing | Management and shareholders |
| 5. Sahacogen (Chonburi) Plc. | Electricity generating and distributing | Management and shareholders |
| 6. Thai Wacoal Plc. | Ladies' lingerie manufacturing | Management and shareholders |
| 7. Textile Prestige Plc. | Embroidery fabric manufacturing | Management and shareholders |
| 8. Saha Pathana Inter- Holding Plc. | Holding company | Management and shareholders |
| 9. Far East DDB Plc. | Advertising | Shareholders |
| 10. O.C.C. Plc. | Distributing cosmetics and garment | Management and shareholders |
| 11. Saha Pathanapibul Plc. | Consumer goods distributing | Management and shareholders |
| 12. P.T. Mesapro International Co., Ltd. | Garment and leatherware manufacturing | Management and shareholders |
| 13. Thai Monster Co., Ltd. | Garment manufacturing | Management and shareholders |
| 14. Total Way Image Co., Ltd. | Leatherware manufacturing | Management and shareholders |
| 15. Thai Naxis Co., Ltd. | Label manufacturing | Management and shareholders |
| 16. Celebrate Wealth Co., Ltd. | Distributing import fashion goods | Management and shareholders |
| 17. SSDC (Tigertex) Co., Ltd. | Bleaching, dyeing fabric and yarn | Management and shareholders |
| 18. International Commercial Coordination (Hong Kong) Ltd. | Apparel distributing | Management and shareholders |
| 19. International Leather Fashion Corp., Ltd. | Leatherware manufacturing | Management and shareholders |
| 20. Wise Winner Co., Ltd. | Distributing garment and sport equipment | Management and shareholders |
| 21. Five Stars Plus Co., Ltd. | Garment manufacturing | Management and shareholders |
| 22. Morgan De Toi (Thailand) Ltd. | Garment distributing | Management and shareholders |
| 23. Champ Ace Co., Ltd. | Garment manufacturing | Management and shareholders |
| 24. Pak Numpo Wattana Co., Ltd. | Apparel distributing | Management and shareholders |

| RELATED PARTIES | TYPE OF BUSINESS | RELATIONSHIP |
|--|---|-----------------------------|
| 25. S.T.G.C. Co., Ltd. | Research and develop business | Management and shareholders |
| 26. Grand Star Industry Co., Ltd. | Fabric manufacturing | Management and shareholders |
| 27. Intanin Chiangmai Co., Ltd. | Apparel distributing | Shareholders |
| 28. Koraj Wattana Co., Ltd. | Apparel distributing | Management and shareholders |
| 29. Sun & Sand Co., Ltd. | Apparel distributing | Management and shareholders |
| 30. Eastern I.C.C. Co., Ltd. | Apparel distributing | Management and shareholders |
| 31. Maharachapreuk Co., Ltd. | Apparel distributing | Management and shareholders |
| 32. Belle Maison (Thailand) Co., Ltd. | Catalog sale | Management and shareholders |
| 33. Thai Takaya Co., Ltd. | Jeans manufacturing | Management and shareholders |
| 34. Thai Gunze Co., Ltd. | Garment manufacturing | Management and shareholders |
| 35. Waseda Education (Thailand) Co., Ltd. | Education institution | Management and shareholders |
| 36. Thai Bunka Fashion Co., Ltd. | Fashion institution | Management and shareholders |
| 37. Mit Pathana Homeshopping Co., Ltd. | Television direct sale | Management and shareholders |
| 38. Sriracha Aviation Co., Ltd. | Machinery and plane maintenance | Management and shareholders |
| 39. Guangdong Xiezhong Garment Co., Ltd. | Garment manufacturing | Management and shareholders |
| 40. Sunrise Garment Co., Ltd. | Garment manufacturing | Management and shareholders |
| 41. K. Commercial and Construction Co., Ltd. | Construction contractor | Management and shareholders |
| 42. H & B Intertext Co., Ltd. | Fabric doll manufacturing | Shareholders |
| 43. Sriracha BSC Bowling Co., Ltd. | Bowling alley | Management and shareholders |
| 44. Thai Shikibo Co., Ltd. | Cotton yarn manufacturing | Management and shareholders |
| 45. Thai Staflex Co., Ltd. | Fabric products | Management and shareholders |
| 46. Treasure Hill Co., Ltd. | Golf course | Management and shareholders |
| 47. BSC Entertainment Co., Ltd. | Bowling alley | Management and shareholders |
| 48. Thai Asahi Kazei Spandex Co., Ltd. | Manufacturing and distributing spandex | Shareholders |
| 49. Value Added Textile Co., Ltd. | Fabric embroidering and printing | Shareholders |
| 50. Panland Co., Ltd. | Property development | Management and shareholders |
| 51. Wien Co., Ltd. | Direct sale | Shareholders |
| 52. Sahapat Real Estate Co., Ltd. | Real estate development | Management and shareholders |
| 53. Thai janome Co., Ltd. | Sewing machines | Management and shareholders |
| 54. Sahapat Properties Co., Ltd. | Property development | Management and shareholders |
| 55. Thai Itokin Co., Ltd. | Garment manufacturing | Management and shareholders |
| 56. Racha Uchino Co., Ltd. | Household textile | Management and shareholders |
| 57. Pattaya Manufacturing Co., Ltd. | Garment manufacturing | Management and shareholders |
| 58. Ramasorn Thaveekarn Co., Ltd. | Investment | Management |

| RELATED PARTIES | TYPE OF BUSINESS | RELATIONSHIP |
|--|---|--------------|
| 59. Deluxe Bijou Societe Anonyme Co., Ltd. | Manufacturing and distributing ornament | Management |
| 60. PTK Multi Services Co., Ltd. | Security service | Shareholders |
| 61. Watsadoramai Co., Ltd. | Distributing agent | Management |
| 62. I.D.F. Co., Ltd. | Investment | Shareholders |

The significant related accounting transactions are as follows:

(THOUSAND BAHT)

| RELATED TRANSACTIONS IN BALANCE SHEETS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|---|----------------|---------------|--------------------------------------|---------------|
| | Sept. 30, 2007 | Dec. 31, 2006 | Sept. 30, 2007 | Dec. 31, 2006 |
| Trade accounts receivable | | | | |
| - I.C.C. International Plc. | 133,011 | 214,405 | 133,011 | 214,405 |
| - Other companies | 16,109 | 16,970 | 16,110 | 17,057 |
| Total | 149,120 | 231,375 | 149,121 | 231,462 |
| Short-term loans extended (Note 7) | 15,000 | 22,000 | 7,000 | 22,000 |
| Other current assets | 4,137 | 4,146 | 4,139 | 4,157 |
| Investments - net (Notes 9 and 10) | 985,106 | 1,009,407 | 985,106 | 1,009,147 |
| Long-term loans extended (Note 12) | 13,866 | 20,800 | 13,866 | 20,800 |
| Trade accounts payable | 7,319 | 17,674 | 7,692 | 18,406 |
| Accrued expenses | 4,735 | 7,549 | 4,735 | 7,549 |

(THOUSAND BAHT)

| RELATED TRANSACTIONS IN INCOME STATEMENTS FOR THE NINE-MONTH PERIODS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|---|----------------|----------------|--------------------------------------|----------------|
| | Sept. 30, 2007 | Sept. 30, 2006 | Sept. 30, 2007 | Sept. 30, 2006 |
| Sales | | | | |
| - I.C.C. International Plc. | 635,157 | 908,414 | 635,157 | 908,414 |
| - Other companies | 42,233 | 42,087 | 42,387 | 43,164 |
| Total | 677,390 | 950,501 | 677,544 | 951,578 |
| Dividend income (Notes 8, 9 and 10) | 48,586 | 40,323 | 49,450 | 51,843 |
| Other income | 55,358 | 44,872 | 59,041 | 46,299 |
| Gain on disposal of fixed assets | 2 | - | 4 | - |
| Purchase of goods and raw materials | 61,625 | 99,818 | 66,358 | 108,449 |
| Other expenses | 39,559 | 48,705 | 39,568 | 48,713 |

Revenues from sales, purchases of goods and raw materials, other revenues and expenses shown in the statements of income are in accordance with the general trading conditions. For the transactions with no reference of price fixing or market prices, the prices or compensation will be fixed or under the agreed contracts.

21. INCOME TAX

Corporate income taxes of the Company and its subsidiaries for the three-month and nine-month periods ended September 30, 2007 and 2006 are calculated from the accounting profits and adjusted with other revenues and some expenses which are exempted from income tax or being disallowable expenses in income tax computation purposes.

Non - BOI business operation is calculated income tax at the rate of 30 per cent for the year 2007 and 25 per cent for the year 2006.

BOI business operation is calculated income tax according to the privileges which are granted (see also Note 17).

Corporate income taxes of the subsidiaries are calculated at the rate of 30 per cent.

22. CLASSIFICATION OF ACCOUNTS

Certain accounts in 2006 financial statements have been reclassified to conform with the presentation of 2007 financial statements.

23. FINANCIAL STATEMENTS APPROVAL

These interim financial statements are duly approved by the Company's directors.